



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

10/733,700

12/11/2003

William R. Watt II

2043.159US1

8671

49845

7590

06/10/2009

SCHWEGMAN, LUNDBERG & WOESSNER/EBAY

P.O. BOX 2938

MINNEAPOLIS, MN 55402

EXAMINER

VEZERIS, JAMES A

ART UNIT

PAPER NUMBER

3693

NOTIFICATION DATE

DELIVERY MODE

06/10/2009

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM

<b>Office Action Summary</b>	<b>Application No.</b> 10/733,700	<b>Applicant(s)</b> WATT ET AL.	
	<b>Examiner</b> JAMES A. VEZERIS	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 16 April 2009.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-5,8-15,28,29,31-42 and 45-52 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-5,8-15,28,29,31-42 and 45-52 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>9/29/2008, 4/16/2009</u> .                                    | 6) <input type="checkbox"/> Other: _____                          |

### **Detailed Action**

#### **Pre-Exam Formalities**

1. Applicant's election without traverse of Group I, claims 1-5, 8-15, 28, 29, 31-42, and 45-52, in the reply filed on 4/16/2009 is acknowledged. Claims 16-27 and 53-64 are cancelled.
2. Claims 6-7, 30, 43, and 44 were cancelled in the reply filed 8/25/08. Claims 1-5, 8-15, 28, 29, 31-42, and 45-52 are currently pending.

#### **Response to Applicant's Arguments**

3. Applicant's arguments filed 8/25/08 have been fully considered. Examiner notes that all arguments towards cancelled claims will not be responded to.
4. Applicant's arguments, see page 19, filed 8/25/09, with respect to the rejection(s) of claim(s) 1 under 103 have been fully considered and are persuasive. Therefore, the rejection has been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of US PG-Pub 2005/0033648 to Jin.

#### **Claim Rejections- 35 U.S.C. 103(a)**

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Art Unit: 3693

6. Claims 1-5, 8, 9, 14, 15, 28, 29, 32-42, 45-46, 51, and 52 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent 6,161,099 to Harrington et al. in view of US Patent 5,905,975 to Ausubel in further view of US PG-Pub 2005/0033648 to Jin et al.

**Regarding Claim 1, 28, 32, and 38:**

Harrington teaches an interest rate for a transacted financial instrument, the method including:

publishing, via a computer network, information regarding the financial instrument and an interest rate at which the financial instrument is offered; (See Harrington Fig 5, Col 7 Lines 36-39)

receiving, via the computer network, offers from respective bidders to transact the financial instrument, the offers being expressed as offered interest rates at which the bidders are willing to transact the financial instrument; (See Harrington Col 9 Lines 24-36)

if it is determined that at least one of the offers satisfies the transaction criteria, identifying the at least one of the offers as an accepted offer. (See Harrington Col 9 Lines 36-39)

Harrington fails to fully teach on the termination of a bid receiving process, determining whether at least one of the offers satisfies transaction criteria, defined by a seller of the financial instrument, the bid receiving process being a declining auction and being characterized by reducing the published interest rate at which the financial instrument is offered for sale during the bid receiving process, the reducing of the

Art Unit: 3693

published interest rate is performed automatically and responsive to a lack of bidding activity;

Ausubel teaches on the termination of a bid receiving process, determining whether at least one of the offers satisfies transaction criteria, defined by a seller of the financial instrument, the bid receiving process being a declining auction and being characterized by reducing the published interest rate at which the financial instrument is offered for sale during the bid receiving process; (See Ausubel Col 13 “Example Two” and Harrington Col 9 Lines 36-39)

Jin teaches , the reducing of the published interest rate is performed automatically and responsive to a lack of bidding activity; (See Paragraph 7) Examiner notes that the substitution of price in Jin for interest rate is trivial to perform in code.

It would be obvious to one skilled in the art to combine Ausubel and Harrington and jin to modify Harrington in a way to allow the invention in Harrington to do the termination of a bid receiving process, determining whether at least one of the offers satisfies transaction criteria, defined by a seller of the financial instrument, the bid receiving process being a declining auction and being characterized by reducing the published interest rate at which the financial instrument is offered for sale during the bid receiving process.

There is motivation to do so because the combination of elements allows each element to perform as it has individually and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Claims 28, 32, and 38 are rejected for analogous reasoning.

Art Unit: 3693

**Regarding Claim 2:**

Harrington further teaches the information concerning the financial instrument is published from a server computer to a client computer via the computer network. (See Harrington Col 6 lines 41-52)

**Regarding Claim 3:**

Harrington further teaches receiving the information regarding the financial instrument from the seller. (See Harrington Col 6 lines 26-36)

**Regarding Claim 4:**

Harrington further teaches the information regarding the financial instrument includes one or more of the following:

Price of the financial instrument, details about the financial instrument, maximum or minimum term of the financial instrument, and benefits of purchasing the financial instrument. (See Harrington Col 6 lines 26-36, Fig 15)

**Regarding Claim 5:**

Harrington further teaches the offers are received from the respective bidders at the server computer from respective client computers operated by the bidders. (See Harrington Col 6 Lines 41-52)

**Regarding Claim 8:**

Harrington further teaches the reducing of the published interest rate is performed by the server computer responsive to receipt of a lower interest rate that is lower than the published interest rate. (See Harrington Col 9 Lines 22-39, Col 10 Lines 22-31) Examiner notes that the bids are all going through the server computer.

Art Unit: 3693

**Regarding Claim 9:**

Harrington further teaches the published interest rate is reduced to be equal to the lower interest rate. (See Harrington Col 9 Lines 22-39, Col 10 Lines 13-21)

**Regarding Claim 14:**

Harrington further teaches the financial instrument comprises at least one of the following:

an interest-paying (IP) financial instrument including one or more of the following: a bond, a certificate of deposit, an interest-bearing checking account, a savings account, and a money market account; and

an interest-receiving (IR) financial instrument including one or more of the following: a home mortgage loan, an automobile loan, a personal loan, a student loan, and a credit card. (See Harrington Col 6 Lines 10-26)

**Regarding Claim 15:**

Harrington further teaches the interest rate set by the seller for the transacted financial instrument comprises at least one of the following:

a maximum interest rate having a highest interest rate that the seller is willing to pay to a buyer for the IP financial instrument;

a minimum interest rate having a lowest interest rate that the seller is willing to accept from the buyer for the IR financial instrument. (See Harrington Fig 15, Col 7 Lines 36-39)

**Regarding Claim 29:**

Harrington further teaches the server computer is further to receive the

Art Unit: 3693

information regarding the financial instrument from the seller. (See Harrington Col 6 lines 26-36)

**Regarding Claim 33:**

Harrington further teaches the first computer includes a client computer, and the second computer includes a server computer in a client-server architecture. (See Harrington Col 6 lines 41-52)

**Regarding Claim 34:**

Harrington further teaches the first computer includes a server computer, and the second computer includes another server computer in a peer-peer architecture. (See Harrington Col 6 lines 41-52)

**Regarding Claim 35:**

Harrington further teaches the respective computers operated by the bidders include one or more client computers. (See Harrington Col 6 lines 41-52)

**Regarding Claim 36:**

Harrington further teaches the computer network includes a single network or a plurality of networks including at least one of the following: a wide area network, a local area network, an intranet, and the Internet. (See Harrington Col 6 lines 41-52, Fig 1)

**Regarding Claim 37:**

Harrington further teaches the first computer and the second computer each comprises one or more processors including at least one of the following: one or more microprocessors, one or more microcontrollers, one or more field programmable gate arrays (FPGA), one or more application specific integrated circuits (ASIC), one or more



Art Unit: 3693

central processing units (CPU), and one or more programmable logic devices (PLD).

(See Harrington Col 6 lines 41-52) Examiner notes that it is inherent in Harrington specification that his computer contain CPUs.

**Regarding Claim 39:**

Harrington further teaches the information concerning the financial instrument is published from a server computer to a client computer via the computer network. (See Harrington Col 6 lines 41-52)

**Regarding Claim 40:**

Harrington further teaches the sets of instructions which, when executed by the machine, further cause the machine to receive the information regarding the financial instrument from the seller. (See Harrington Col 6 lines 41-52)

**Regarding Claim 41:**

Harrington further teaches the information regarding the financial instrument includes one or more of the following: price of the financial instrument, details about the financial instrument, maximum or minimum term of the financial instrument, and benefits of purchasing the financial instrument. (See Harrington Fig 15, Col 7 Lines 36-39)

**Regarding Claim 42:**

Harrington further teaches the offers are received from the respective bidders at the server computer from respective client computers operated by the bidders. (See Harrington Col 6 Lines 41-52)

**Regarding Claim 45:**

Art Unit: 3693

Harrington further teaches the reducing of the published interest rate is performed by the server computer responsive to receipt of a lower interest rate that is lower than the published interest rate. (See Harrington Col 9 Lines 22-39, Col 10 Lines 22-31)

**Regarding Claim 46:**

Harrington further teaches the published interest rate is reduced to be equal to the lower interest rate. (See Harrington Col 9 Lines 22-39, Col 10 Lines 13-21)

**Regarding Claim 51:**

Harrington further teaches the financial instrument comprises at least one of the following:

an interest-paying (IP) financial instrument including one or more of the following: a bond, a certificate of deposit, an interest-bearing checking account, a savings account, and a money market account; and an interest-receiving (IR) financial instrument including one or more of the following: a home mortgage loan, an automobile loan, a personal loan, a student loan, and a credit card. (See Harrington Col 6 Lines 10-26)

**Regarding Claim 52:**

Harrington further teaches the interest rate set by the seller for the transacted financial instrument comprises at one of the following:

a maximum interest rate having a highest interest rate that the seller is willing to pay to a buyer for the IP financial instrument; and

a minimum interest rate having a lowest interest rate that the seller is willing to

Art Unit: 3693

accept from the buyer for the IR financial instrument. (See Harrington Fig 15, Col 7 Lines 36-39)

9. Claims 10-13, 31, and 47-50 rejected under 35 U.S.C. 103(a) as being unpatentable over Harrington in view of US Patent 5,905,975 to Ausubel in further view of US PG-Pub 2005/0033648 to Jin et al. in further view of US PG-Pub 2002/0198814 to Bansal et al. (Hereinafter "Bansal").

**Regarding Claim 10:**

Harrington, alone, fails to further teach that the bid receiving process is an ascending auction, the method including increasing the published interest rate at which the financial instrument is offered for sale during the bid receiving process. However, Harrington combined with Bansal does. (See Harrington, Fig 10, Col 9 Lines 22-39, Bansal Fig 4, Paragraph 109) Bansal teaches about an ascending auction, while Harrington teaches the framework necessary to implement the ascending auction.

Combining Bansal with Harrington is obvious. There is motivation to do so because the framework for the system is already in place because of Harrington and the resulting invention would increase bidding efficiency, leading to fair lending and borrowing practices.

**Regarding Claim 11:**

Harrington further teaches the ascension of the published interest rate is performed automatically by the server computer responsive to at least one of bidding activity and lack of bidding activity. (See Harrington, Fig 10, Col 9 Lines 22-39)

Art Unit: 3693

Examiner notes the simple change of coding necessary to publish the ascending interest is trivial to accomplish.

**Regarding Claim 12:**

Harrington and Bansal further teaches the ascension of the published interest rates is performed by the server computer responsive to receipt of a higher interest rate that is higher than the published interest rate. (See Harrington, Fig 10, Col 9 Lines 22-39, Bansal section 2.3)

Combining Bansal with Harrington is obvious. There is motivation to do so because the framework for the system is already in place because of Harrington and the resulting invention would increase bidding efficiency, leading to fair lending and borrowing practices.

**Regarding Claim 13:**

Harrington further teaches the published interest rate is increased to be equal to the higher interest rate. (See Harrington, Fig 10, Col 9 Lines 22-39)

**Regarding Claim 31:**

Harrington and Bansal further teach the bid receiving process is an ascending auction, the method including increasing the published interest rate at which the financial instrument is offered for sale during the bid receiving process, the published interest rate is performed automatically by the server computer responsive to at least one of bidding activity and lack of bidding activity. (See Harrington, Fig 10, Col 9 Lines 22-39, Bansal Fig 4, Paragraph 109) Bansal teaches about an ascending auction, while Harrington teaches the framework necessary to implement the ascending auction.

Combining Bansal with Harrington is obvious. There is motivation to do so because the framework for the system is already in place because of Harrington and the resulting invention would increase bidding efficiency, leading to fair lending and borrowing practices.

**Regarding Claim 47:**

Harrington further teaches the bid receiving process is an ascending auction, the method including increasing the published interest rate at which the financial instrument is offered for sale during the bid receiving process. (See Harrington, Fig 10, Col 9 Lines 22-39) Examiner notes the simple change of coding necessary to publish the ascending interest is trivial to accomplish.

**Regarding Claim 48:**

Harrington further teaches the ascension of the published interest rate is performed automatically by the server computer responsive to at least one of bidding activity and a lack of bidding activity. (See Harrington, Fig 10, Col 9 Lines 22-39) Examiner notes the simple change of coding necessary to publish the ascending interest is trivial to accomplish.

**Regarding Claim 49:**

Harrington further teaches the ascension of the published interest rates is performed by the server computer responsive to receipt of a higher interest rate that is higher than the published interest rate. (See Harrington, Fig 10, Col 9 Lines 22-39)

**Regarding Claim 50:**

Harrington further teaches the published interest rate is increased to be equal to

Art Unit: 3693

the higher interest rate. (See Harrington, Fig 10, Col 9 Lines 22-39)

### **Conclusion**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAMES A. VEZERIS whose telephone number is (571)270-1580. The examiner can normally be reached on Monday-alt. Fridays 7:30am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on 571-272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/  
Supervisory Patent Examiner, Art Unit 3693

/JAMES A VEZERIS/  
Examiner, Art Unit 3693

5/27/2009